



Brand in the hand: A cross-market investigation of consumer acceptance of mobile marketing

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Abstract Given the great potential of developing marketing campaigns delivered via mobile devices and the evolution of near-field communication technologies, this study examines factors influencing consumers' acceptance of untethered, or mobile, marketing across three influential markets: the United States, China, and Europe. We examine the extent to which the usefulness of mobile information/programs and individual characteristics—namely innovativeness, personal attachment, and risk avoidance—jointly influence attitudes toward mobile marketing, and how the latter influences consumers' mobile marketing activity across three large and influential markets. We found perceived usefulness, consumer innovativeness, and personal attachment to directly influence attitudes toward mobile marketing in all three markets. In China and Europe, risk avoidance also negatively influences attitudes toward mobile marketing. Marketers seeking to build and maintain customer relationships via mobile platforms should view these individual characteristics as levers brands can push to amplify consumers' acceptance of mobile marketing.

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1. Brand in the hand

Coinciding with the widespread adoption of 3G and 4G smartphones among consumers, mobile marketing has increasingly become a staple tactic in brands' advertising and promotional efforts. Target, Ralph

Lauren, Dunkin Donuts, Starbucks, Volkswagen, Chanel, FIFA, and Puma represent just a few consumer brands from the United States, Europe, and Asia that have begun to aggressively adopt untethered mobile marketing platforms to forge closer and more relevant connections with specific audiences. In the U.S. alone, companies' spending on mobile advertising and promotions and their ability to deliver brands to consumers is forecast to grow approximately 600% from \$9.3 billion in 2010 to \$56.5 billion by 2015 (Marketing Charts, 2011).

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Several years ago, prior to the launch of the iPhone, marketers and researchers (e.g., Sultan & Rohm, 2005) began touting the opportunities inherent in 'brand in the hand' marketing via mobile devices, particularly among youth markets. The continued adoption of 3G and 4G Internet-enabled phones among consumers in markets ranging from the United States and Europe to emerging markets like India and China has led brands to increasingly view such technology as an effective marketing platform. Also, while smartphones have yet to see mass consumer adoption, this trend is quickly changing among younger consumers. Consider China, where in 2001 there were 10 million mobile phone subscribers; today, the country hosts almost 200 million smartphone users (Ablott, 2011).

Moreover, recent studies have shown that Chinese and U.S. youth consumers are the most active mobile users in terms of mobile Internet access, email, and texting compared to the rest of the world (Nielsen Research, 2010). Experts suggest that almost 90% of the globe will soon be connected via some type of mobile device, and by 2015, there will be more Internet-enabled phones in use than computers. Additionally, near-field-communication (NFC) technologies are rapidly changing the way we view our 'phones' as they evolve from communication devices to electronic wallets. For instance, Starbucks recently launched one of the first pay-by-phone applications to be adopted on a broad level in the United States.

Mobile technology represents one of the fastest-growing marketing communication platforms, and a variety of mobile devices are in widespread use around the world. In fact, by the end of 2011, smartphone penetration is predicted to reach 50% in markets in the United States and parts of Western Europe (Nielsen Research, 2010). Due to this convergence of wireless and mobile device technology, consumers are now freed—or untethered—from their homes, desktops, and offices, with the ability to communicate, access and share information within their social networks, play games, and buy products via location-based applications.

1.1. One size fits all?

In seeking to realize the marketing potential of a mobile medium, companies frequently make the too-common mistake of viewing mobile marketing as a one-size-fits-all platform to be applied in the same manner across global markets, irrespective of other media channels. The problem, we have found, is that companies often fail to consider culture-specific factors (e.g., consumer's overall attitudes of the platform) and individual characteristics (e.g.,

risk perceptions). For instance, while sports brand Adidas attracted more than 1 million international visitors to its mobile portal during the 2006 FIFA World Cup championships, simply mashing cultures together did not always work. The company's mobile campaign was an enormous success in some markets, such as the United States and China, yet curiously did not perform well in Germany and Italy—even though Germany was the host country for the games! According to Adidas management, the reasons for these cross-country differences included consumers' overall attitudes toward mobile devices being used as marketing platforms, rather than simply for communication purposes. As this example demonstrates, a mobile campaign that succeeds in the U.S. may not necessarily do so in Europe, China, or other markets.

Another mistake companies make regarding mobile marketing is misperceiving the medium as a stand-alone platform that functions independently from the rest of the marketing ecosystem, including traditional media. Herein, we argue that both small and large companies incorporating mobile marketing into their overall marketing strategy must recognize that consumers' acceptance of mobile marketing can differ, depending on where they live and work. We further contend that mobile marketing should be considered as one, albeit important, element of a brand's overall customer communication ecosystem. We are now at a crossroads where marketing strategy meets next-generation interactivity and mobility. To thrive or even survive in this new age of marketing, companies will have to figure out how to engage customers across global markets and across the traditional and digital platforms where they 'live.'

1.2. A cross-market study of mobile marketing activity

To further examine these issues, we conducted a comparative study of global youth consumer acceptance of mobile marketing practices across three markets: the United States, China, and Western Europe. We conceptualized mobile marketing as organizations', companies', and brands' efforts to promote, inform, sell, or otherwise drive consumers to take some type of action using a mobile platform (Mobile Marketing Association, 2008). We focus on youth consumers between the ages of 20 and 24—often referred to as *Generation M* (for Mobile)—because they represent a generation that has grown up and become socialized to digital content with 24/7 access, when and where they want it (Grant & O'Donohoe, 2007; Sangwan & Pau, 2005; Sultan, Rohm, & Gao, 2009). Further, in terms of

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